

WC 07-263

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

STAMP & RETURN

In the Matter of the Application of

Insight Communications Midwest, LLC

and

Comcast Business Communications, LLC

for Authorization Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Section 63.04 of the Commission's Rules, to Permit the Parties to Transfer Certain Interstate Telecommunications Customers in Illinois to Comcast Business Communications, LLC

FCC/MELLON

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WB Docket No. _____

IB File No. _____

DOMESTIC SECTION 214 APPLICATION

Insight Communications Midwest, LLC ("Insight") and Comcast Business Communications, LLC ("Comcast") (together with Insight, "Applicants"), through their undersigned counsel, hereby request authorization pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.04 of the Commission's rules, to permit the parties to transfer certain interstate telecommunications customers in Illinois from Insight to Comcast.

I. DESCRIPTION OF THE APPLICANTS

A. Insight

Insight Communications Midwest, LLC is a limited liability company organized and existing under the laws of the state of Delaware. The only Insight telecommunications customers in the state of Illinois affected by the proposed transaction are school districts. Insight provides the underlying telecommunications transport in connection with data transport services and Internet access to these school districts, and the school districts receive funding under the federal Schools and Libraries program ("e-rate") for these services.

B. Comcast

Comcast Business Communications, LLC is a Pennsylvania corporation with its principal office located at 1500 Market Street, 35th Floor, Philadelphia, PA 19102. Comcast, through its subsidiaries and affiliates, provides video, telephone, and Internet access services to customers throughout the United States.

II. DESCRIPTION OF THE TRANSACTION

Through the proposed transaction, Comcast proposes to, among other things, obtain a portion of the e-rate customer base receiving telecommunications services from Insight in Illinois. Specifically, Insight will assign certain system assets to an affiliate of Insight ("Insight Affiliate"), immediately after which a subsidiary of Comcast will acquire 100% ownership of Insight Affiliate, pursuant to which Comcast will obtain ownership of certain regulated communications facilities of Insight currently used to

provide cable television and Internet access services, as well as a limited number of telecommunications services provided to school districts in Illinois.

III. INFORMATION REQUIRED BY SECTION 63.04

Applicants submit the following information in support of their request to transfer Section 214 authorization pursuant to Section 63.04 of the Commission's rules.

(a)(1) Name, address and telephone number of each Applicant.

Transferor	Transferee
Insight Communications Midwest, LLC 810 7th Avenue, 40th Floor New York, NY 10019 Telephone: (917) 286-2300	Comcast Business Communications, LLC 1500 Market St. 35th Floor Philadelphia, PA 19102 Telephone: (215) 665-1700

(a)(2) State of organization of each Applicant.

Applicant	State
Insight Communications Midwest, LLC	Delaware
Comcast Business Communications, LLC	Pennsylvania

(a)(3) The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed.

Questions or inquiries concerning this application may be directed to:

Counsel for Insight:

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With Copies to:

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Philadelphia, PA 19102
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(a)(4) The name, address, citizenship and principal place of business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of Insight and Comcast, respectively, and the percentage of equity owned by each of those entities (to the nearest one (1) percent).

Insight Communications Midwest, LLC ("Insight") is a wholly owned direct subsidiary of Insight Midwest Holdings, LLC, a U.S. entity whose address and principal place of business is 810 7th Avenue, 40th Floor, New York, NY 10019.¹ Insight

¹ Insight Midwest, LP was granted domestic Section 214 authority in 2004. See Public Notice, "Notice of Streamlined Domestic 214 Authorization Granted," WC Docket No. 04-292, DA 04-3587, rel. Nov. 15, 2004.

Midwest Holdings, LLC is a wholly owned direct subsidiary of Insight Midwest, LP, a U.S. entity whose address and principal place of business is 810 7th Avenue, 40th Floor, New York, NY 10019.

Insight Midwest, LP is owned by TCI of Indiana Holdings, LLC and Insight Communications Company, LP, each having a 50% ownership interest in Insight Midwest, LP, and thus, each a 50% ownership interest in Insight. Insight Communications Company, LP is a U.S. entity whose address and principal place of business is 810 7th Avenue, 40th Floor, New York, NY 10019.

TCI of Indiana Holdings, LLC is a U.S. entity whose address and principal place of business is 1500 Market St., Philadelphia PA 19102. TCI of Indiana Holdings, LLC is directly owned by several Comcast entities, only one of which – TCI IP-VI, LLC – has a greater than 10% interest in Insight (13%). TCI IP-VI, LLC is a U.S. entity whose address and principal place of business is 1500 Market St., Philadelphia PA 19102. Comcast Cable Holdings, LLC indirectly holds a 100% interest in TCI IP-VI, LLC, and through other affiliates and subsidiaries, has a greater than 10% interest in Insight (approximately 50%). Comcast Cable Holdings, LLC is a U.S. entity whose address and principal place of business is 1500 Market St., Philadelphia PA 19102. Comcast Cable Communications Holdings, Inc. owns 100% of Comcast Cable Holdings, LLC, and in addition to other affiliates and subsidiaries, has a greater than 10% interest in Insight (50%). Comcast Cable Communications Holdings, Inc. is a U.S. entity whose address and principal place of business is 1500 Market St., Philadelphia PA 19102. Comcast Corporation holds a 100% interest in Comcast Cable Communications Holdings, Inc., and therefore, a 50% interest in Insight. Comcast Corporation is a U.S. entity whose

address and principal place of business is 1500 Market St., Philadelphia PA 19102. As of February 28, 2007, Brian Roberts held a 100% interest in Comcast Corporation, and therefore, a 50% interest in Insight.² Mr. Roberts is U.S. citizen with his address and principal place of business at 1500 Market St., Philadelphia PA 19102.

Comcast Business Communications, LLC ("Comcast") is a U.S. entity with its principal place of business at 1500 Market St., Philadelphia PA 19102. Comcast is 100% directly owned by Comcast Commercial Services Group Holdings, LLC, which is in turn 100% held by Comcast Communications, LLC, which is in turn 100% held by Comcast Holdings Corporation. Each of the foregoing entities are U.S. entities with their principal place of business at 1500 Market St., Philadelphia PA 19102. Comcast Holdings Corporation is jointly owned by Comcast Corporation and Sural LLC, each a U.S. entity with their principal place of business at 1500 Market St., Philadelphia PA 19102. Comcast Corporation holds 99.37% Class A Common and 98.95% Class A Special Common stock in Comcast Holdings Corp. Sural LLC owns 100% Class B stock in Comcast Holdings Corp. Sural LLC is, in turn, 100% owned by Comcast Corporation. As discussed above, as of February 28, 2007, Brian Roberts held a 100% interest in Comcast Corporation, and therefore, a 100% interest in Comcast Business Communications, LLC.

² As of Feb. 28, 2007, Mr. Roberts held 100% of the Class B Common Stock, and less than 1% of Class A Common Stock, in Comcast Corporation. These totals include 9,039,663 shares of Class B common stock owned by a limited liability company of which Mr. Brian L. Roberts is the managing member and 404,712 shares of Class B common stock owned by certain family trusts.

- (a)(5) Certification pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.**

Through the attached certifications, Insight and Comcast certify that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

(a)(6) Description of the Transaction

The proposed transaction is described in Section II of the application.

- (a)(7) A description of the geographic areas in which Insight and Comcast (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.**

Insight and its affiliates provide domestic telecommunications services to residential, business and e-rate customers in Kentucky, Illinois, Indiana and Ohio, but only certain telecommunications services provided in Illinois will be affected by the proposed transaction. Specifically, Insight provides telecommunications services to school districts in Illinois that receive funding from the federal Schools and Libraries program in connection with these services. Certain of Insight's contracts with the school districts for the provision of these services will be transferred to Comcast upon approval of the proposed transaction.

Comcast and its affiliates currently provide domestic telecommunications services to residential and business customers in 37 states throughout the United States.

- (a)(8) A statement as to how the application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment.**

Applicants submit that this application fits into the presumptive streamlined category set forth in Section 63.03(b)(2) of the Commission's rules because (i) the

proposed transaction would result in Comcast and all affiliates having a market share in the interstate, interexchange market of less than ten percent (10%), (ii) Comcast and all affiliates would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the proposed transaction, and (iii) neither Applicants nor any of their affiliates are dominant with respect to any service.³

(a)(9) Identification of all other Commission applications related to the same transaction.

There are no other applications that are being filed with the Commission to transfer any telecommunications assets in connection with the proposed transaction.

(a)(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

The Applicants are not requesting any special consideration of this application.

(a)(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

The Applicants have not filed any waiver requests with the Commission in conjunction with this application.

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.

Grant of this Application would serve the public interest, convenience and necessity for several reasons. First, the consummation of the proposed transaction will create a new, facilities-based competitor in the telecommunications market in Illinois. The Commission has repeatedly stated that the goals of the Communications Act are

³ 47 C.F.R. § 63.03(b)(2).

served by encouraging facilities based competition.⁴ Comcast will use advanced, cable-based technology to provide high-quality, fully functional telecommunications services. Comcast will be providing a competitive choice in telephony services in markets still dominated by incumbent local exchange carriers.

Second, Comcast's management has extensive experience and expertise in bringing quality communications services to consumers. Comcast and its affiliates began offering cable service in 1963 in Tupelo, Mississippi, with just over 1,000 cable customers. Under the leadership of the Roberts family, Comcast has since experienced extraordinary growth in the scale and scope of its businesses. The company has developed and deployed a range of new technologies and programming services as part of its ongoing efforts to improve the services it offers to its customers. As a result, Comcast has established an industry standard-setting reputation for technology leadership, strong financial performance, and operational efficiency. This has made Comcast a top-tier provider of telephony services, as well as cable television service, high-speed Internet service, and video programming, to millions of customers. Comcast's consolidated revenues for the year ending December 31, 2006, were \$24.966 billion.

Comcast and its affiliates provide traditional and IP-based telephone services to over 2 millions customers throughout the country, in addition to over 24 million cable service customers and over 11.4 million high-speed Internet service subscribers. Despite its national size, Comcast remains committed to the local communities and regions it

⁴ See e.g., *In Re Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Deployment of Wireline Services Offering Advanced Telecommunications Capabilities*, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978 (FCC rel. Aug. 21, 2003) at ¶ 70 ("We reaffirm the conclusion in the UNE Remand Order that facilities-based competition serves the Act's overall goals"); see also *United States Telecom Ass'n v. FCC*, 359 F.3d 554, 576 (D.C. Cir. 2004) (finding that the purpose of the Act "is to stimulate competition – preferably genuine, facilities-based competition."), *cert. denied*, 125 S. Ct. 313, 316, 345 (2004).

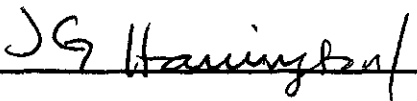
serves. Comcast operates its systems from local and regional offices, and endeavors to be involved in various local community activities. Local field engineers and technicians participate in the planning, construction, operation and maintenance of local systems. Comcast also maintains regional and corporate technical and engineering support for each of its local operations.

For the foregoing reasons, grant of this application would serve the public interest, convenience, and necessity.

IV. CONCLUSION

For the foregoing reasons, Applicants respectfully submit that the public interest, convenience and necessity would be served by a grant of this application.

Respectfully submitted,



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Dated: November 13, 2007



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COUNSEL FOR COMCAST

INSIGHT CERTIFICATION

I, Elliot Brecher, Senior Vice President and General Counsel of Insight Communications Midwest, LLC, hereby certify that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.



Elliot Brecher
Senior Vice President and General Counsel
Insight Communications Midwest, LLC

COMCAST CERTIFICATION

I, Douglas Gaston, Senior Vice President, General Counsel of Comcast Business Communications, LLC, hereby certify that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.



Douglas Gaston
Senior Vice President, General Counsel
Comcast Business Communications, LLC